

A NEW DIRECTION FOR ECONOMIC RECOVERY

AMERICAN ECONOMY SHOWING STRONG SIGNS OF RECOVERY

We continue to see growing signs of economic recovery, resulting from the Recovery Act and other economic policies of the Obama Administration responding to Bush Recession and the worst financial crisis since the Great Depression. Just in the last two weeks, we have seen:

- Nearly 300,000 American jobs were created in April—the largest gain in four years and a sharp turnaround from the nearly 800,000 jobs lost a month under President Bush
- GDP is up 3.2 percent in the 1st quarter of 2010—a year ago the economy shrank 6.4 percent
- Manufacturing is up for the ninth month in a row, reaching a six-year high
- Consumer spending is up for the sixth consecutive month, surpassing pre-recession peak

MCCLATCHY – MAY 7, 2010

- “It feels like a light switch went on in many businesses this spring. The **job gains in March and April were strong and broad-based across industries**” said Mark Zandi, the chief economist for Moody’s Analytics, an economic forecaster in West Chester, Pa.

WALL STREET JOURNAL – MAY 3, 2010

- “Several major banks have **scaled back their forecasts for this year’s U.S. federal budget deficit** as the **improved economic outlook leads to higher tax receipts**, and as many banks and companies that received taxpayer bailouts repay their debts early.”

FORTUNE – APRIL 16, 2010

- “The economy has made a **sharp U-turn in the past couple of months, and better days for American businesses and workers are around the corner**... three [American business titans including Warren Buffett] tell me that in the past four to eight weeks, they've seen a **real change in their businesses, and that indicates better news for the nation's economy.**”

NEWSWEEK – APRIL 9, 2010

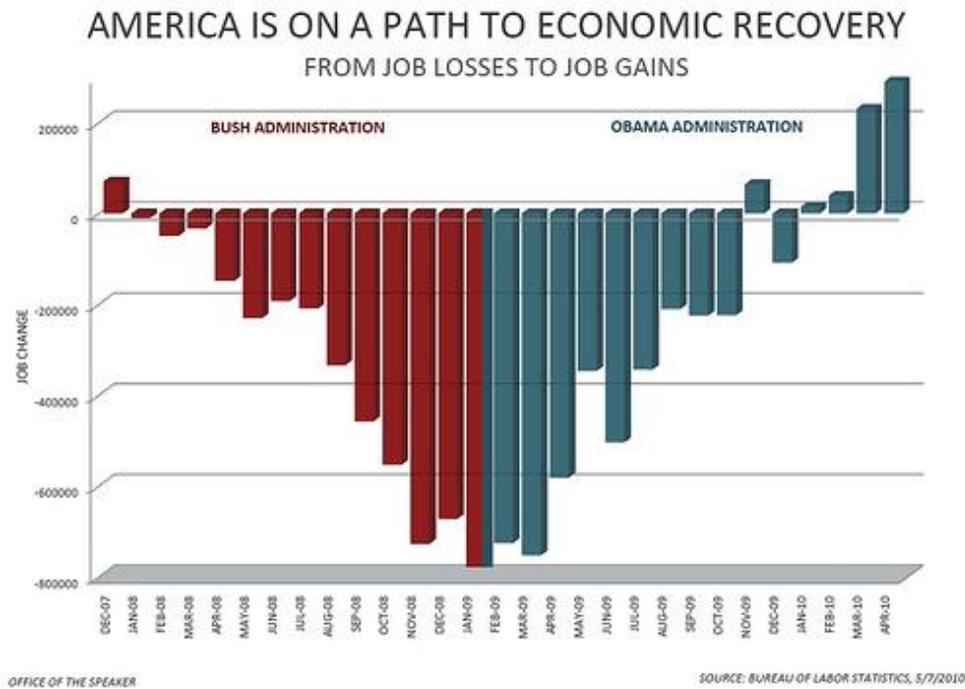
- “America is coming back stronger, better, and faster than nearly anyone expected—and faster than most of its international rivals. ...The recovery came quickly because the **public and private sectors reacted with great speed.**”

BUSINESS WEEK – APRIL 8, 2010

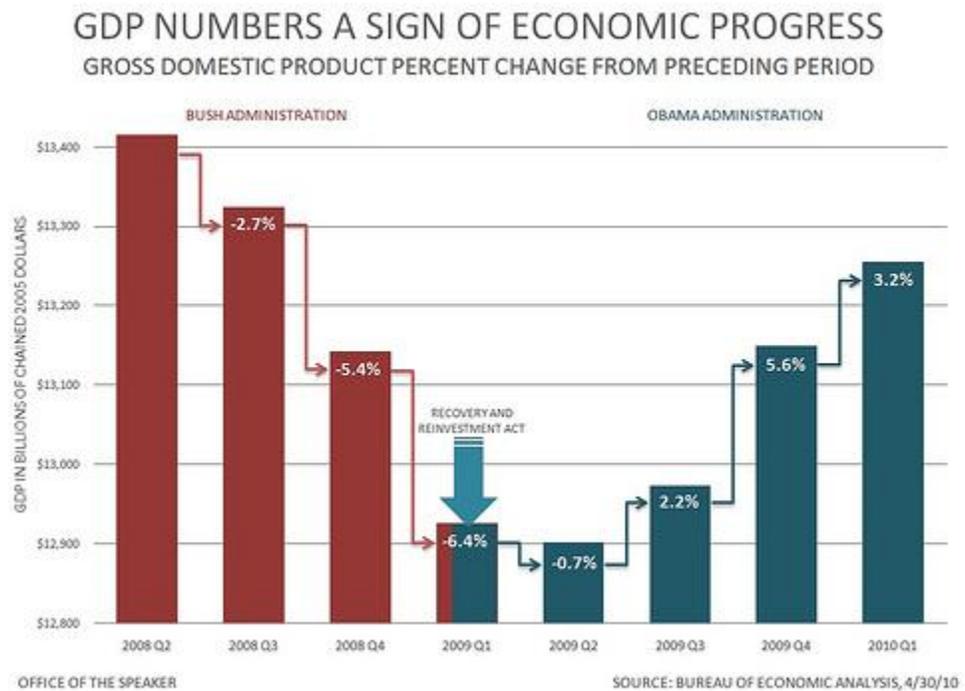
- “**When you take it all together, the response [to the recession] was massive, unprecedented, and ultimately successful,**” says Mark Zandi, chief economist at Moody's Economy.com.
- Even Obama critics such as Phil Swagel, assistant Treasury secretary for economic policy under George W. Bush, acknowledge that White House policies have been successful... “**their economic policies, including the stimulus, have helped move the economy in the right direction.**”

THE ECONOMY IN GRAPHS

JOBS—In January 2009, before Congress enacted the Recovery Act, Americans lost 779,000 jobs in one month alone. A year later, job losses have turned to jobs gains of 290,000 in April—the largest gain in four years. This is the fourth consecutive month of job growth with 573,000 jobs added since December – 84 percent in private sector. This marks a sharp reversal from the job losses and deep economic crisis President Bush left behind.



ECONOMIC GROWTH—In the 1st quarter of 2009 starting before President Obama took office, America’s GDP fell by 6.4%. One year later, our economy grew by 3.2% for the 3rd quarter of economic growth. 9 points in 12 months.



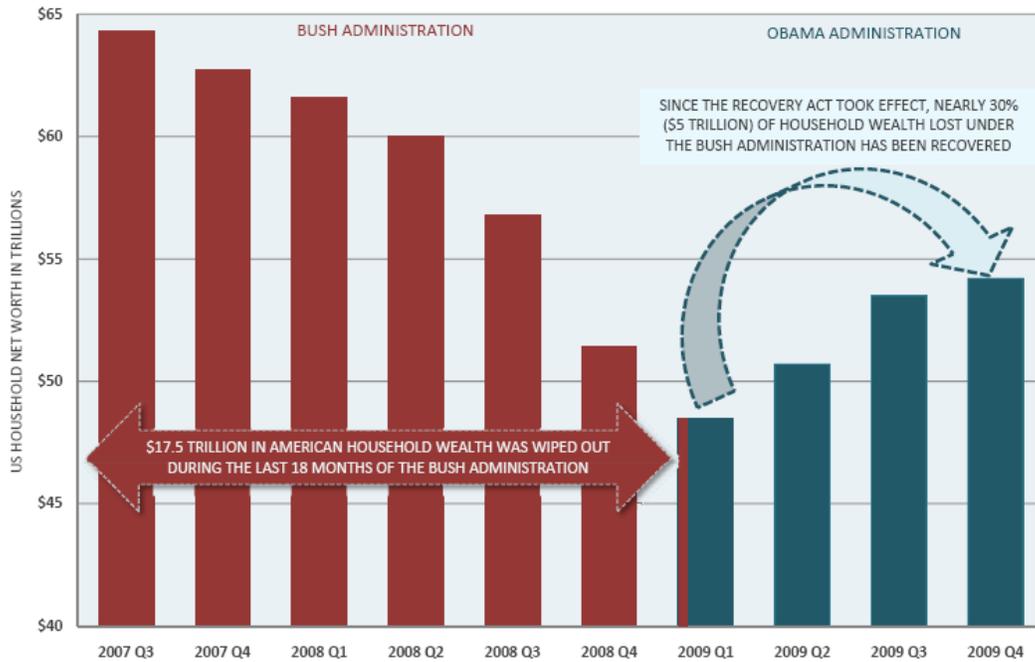
MANUFACTURING—America’s manufacturing base has grown for 9 straight months—now at the highest level in nearly six years—with manufacturing jobs being created three months in a row.

CONSUMER SPENDING & RETAIL SALES—Consumer spending is up six months in a row, surpassing the pre-recession peak in March. Retail sales soared 1.6 percent in March, for the third consecutive month of growth.

HOUSEHOLD WEALTH—Since the Recovery Act took effect, Americans regained nearly 30 percent (\$5 trillion) of the \$17.5 trillion in household wealth wiped out during the last 18 months of the Bush Administration.

AMERICAN HOUSEHOLD WEALTH RECOVERING

\$17.5 TRILLION WIPED OUT UNDER BUSH – \$5 TRILLION ALREADY RECOVERED

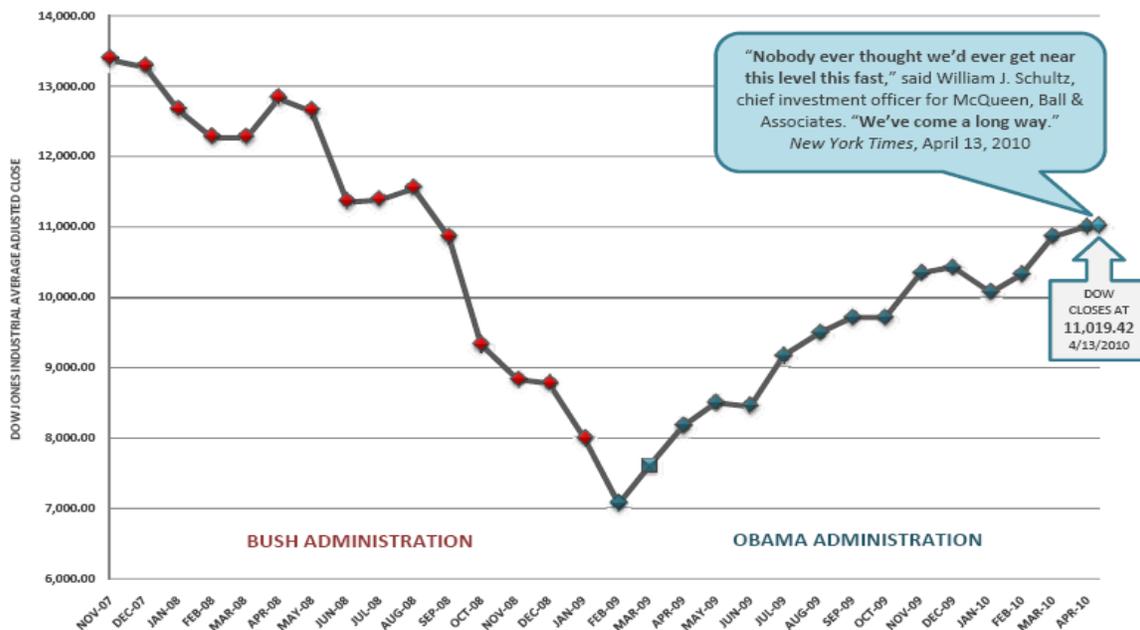


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SOURCE: FEDERAL RESERVE FLOW OF FUNDS, 3/11/2010

STOCK MARKET—The Dow is at an 18-month high of nearly 11,000, an increase of more than 4,000 points—or 70%—in just over a year of the Obama presidency.

AMERICAN INVESTMENTS REBOUNDED



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4/13/2010